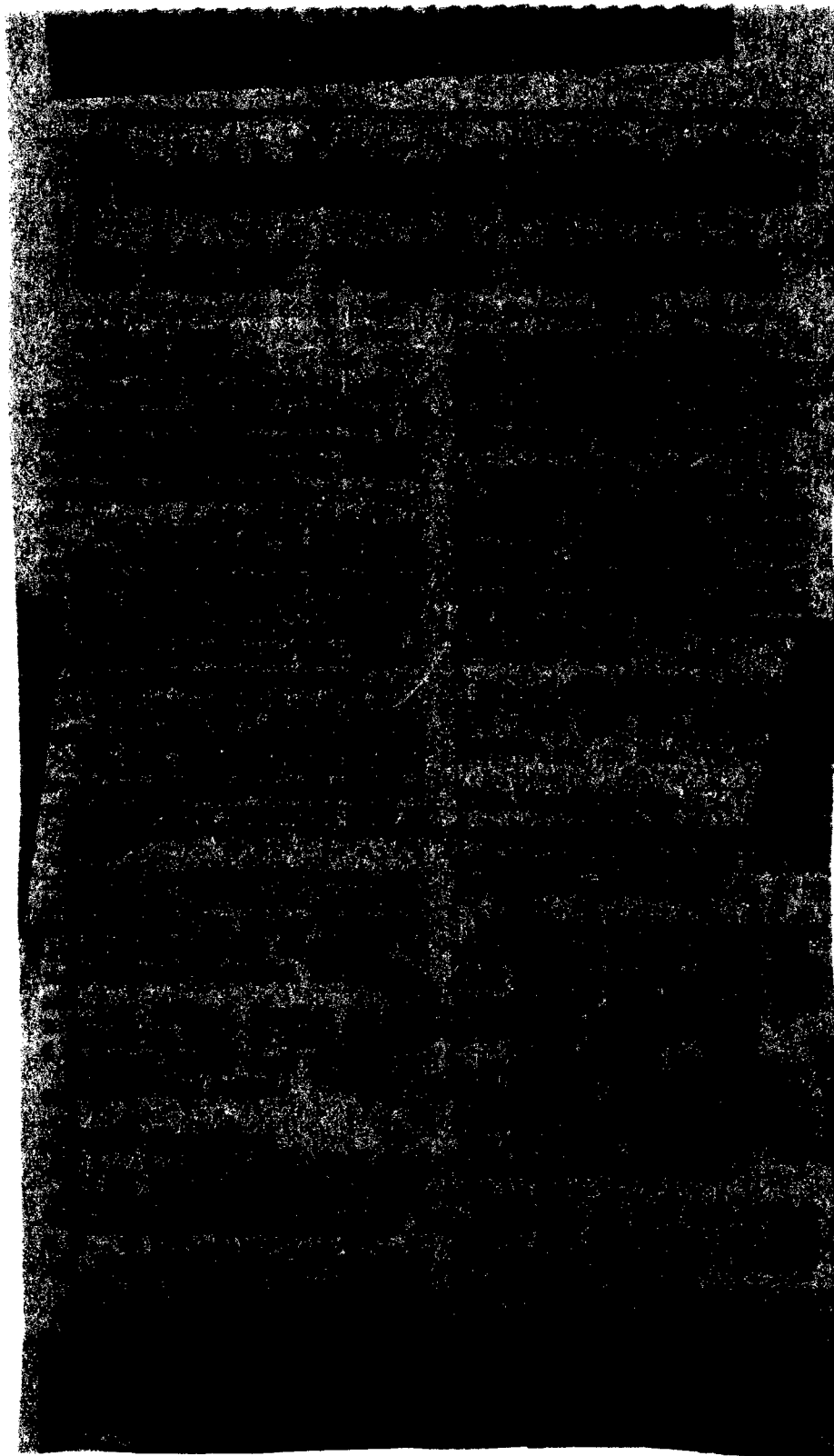


C54234  
01-2

2162236 - R8 SDMS

file:  
Frankel Manuf.  
(Colo)



2162236 - R8 SDMS

file:  
Frankel Manuf.  
(Colo)

## Frankel fined \$200,000 in toxic waste violation

By Karen Odom  
Denver Post Staff Writer

Frankel Manufacturing Co. of Denver, a longtime producer of ribbons for printing machines, was fined \$200,000 Friday for illegally storing toxic substances.

The company is the first corporate environmental violator to be sentenced under a new federal law that permits judges to exceed the established range of penalties for a criminal offense, a U.S. Justice Department spokesman said.

Under the new statute, passed last October, corporations could face up to \$500,000 in fines. Without the law, Frankel would have been subject to a maximum fine of \$50,000.

Half the \$200,000 fine was suspended by U.S. District Judge Zita Weinshienk, but that is contingent on the successful completion of three years' probation.

She ordered Frankel to pay \$50,000 by Aug. 30, 1986. The remaining \$50,000 must be paid by the following August.

### Guilty plea entered

On July 17, Frankel president Eugene Weisberg entered a guilty plea on behalf of the company.

An April 25 search by investigators for the U.S. Environmental Protection Agency uncovered 259 barrels of toxic wastes at the company's ribbon manufacturing operation at 1525 Race Court.

A black liquid, containing chemi-

cals like methyl ethyl ketone — a highly flammable substance — was seen oozing from the drums, which were being stored about a half-mile from the South Platte River.

The EPA also submitted information on other contacts with the company. A 1980 contact indicated company representatives knew permits were required at the Race Court site and at another site at 285 Rio Grande Blvd. The second site is no longer in use.

It is unclear what effect the fine will have on the company's finances.

### Firm reports net loss

Frankel representatives said the company had a \$455,000 net loss in the first six months of 1985.

But Weinshienk and federal prosecutor James Bredar cited a 1984 Dun and Bradstreet report that showed sales increasing and the company operating at a profit.

Weisberg, whose father-in-law founded the company in 1906, asked for leniency Friday, citing the company's cooperation with authorities after the search.

Claiming he had not known about the chemicals, he told Weinshienk: "The last few months have been hell for me."

"I don't think that's an excuse," she replied. "I think that the officers of a corporation have to know (if environmental laws are being broken)."